

**Minutes, Co-operative Energy Ltd Board meeting, 22 July 1998, Maritime Union of Australia, 46
Ireland Street, West Melbourne**

PRESENT: Graeme Charles, John Dick, Libby Stewart, Roger Lamb and David Griffiths
APOLOGY: Bill McPherson

The Secretary reported that there were two apologies – from Tony Gill and Bill McPherson.

It was noted that Mr. Gill had not attended any board meetings in 1998 – in February, March, April and May.

It was voted to accept the apology from Bill McPherson.

Resolved that the minutes be confirmed as a true and accurate record of the meetings of 17 April and 18 April 1998 and be signed by the Chairman.

The Secretary reported that on the 20 July 1998 the Secretary of the Waverley Trading Co-operative Limited, Mr. Chris Stocks, had requested membership information.

Resolved to affit one share:
Libby Stewart (Number 31)

Resolved that David Griffiths and John Dick work together on a letter to Dr. John Courtney on the situation of default consumers.

David Griffiths said that he would email a draft to John Dick this afternoon.

Resolved to endorse the letter of 17 June 1998 to Mr. John Gill, Co-operative Award-winning Co-operative Federation of Victoria Ltd, to support the Awards by donating four copies each of the six Co-operative Press Ltd books:

- Co-operation Works!
- Make No Small Plans
- Seeing is Believing

Resolved that David Griffiths continue to act as our accredited delegate and seek reaccreditation in favour of the Federation.

Resolved that the Chairman forward the following letter to the Co-operative Federation of Victoria Ltd:

I write on behalf of the board of Co-operative Energy Ltd which has discussed the 22 July 1998 the Federation's review of membership subscriptions and has requested that I forward the following resolution for the information of the Federation's board.

The board of Co-operative Energy Ltd supports a review of membership subscriptions as appropriate and suggests that it should be influenced by the following considerations:

1. The membership subscription is not the sole basis for assessing the contribution of members of the Federation. It would be overtly simplistic to compare subscription levels as a sole basis for determining appropriate levels. Other important contributions by members to the Federation include (a) attendance at AGM, other general meetings (b) participation in workshops (c) participation in committee meetings (d) responding to member surveys (e) using services of the Federation and (d) purchasing publications.
2. The logic of the Federation's mission and objects is to maximise membership recruitment, retention and not maintain and/or create barriers to the recruitment and retention of members and it is necessary, therefore, to systematically analyse existing and potential barriers.
3. Proportionate subscription levels based on annual turnover is supported and it is important to note here that with increased income of a co-operative there is an increase in the subscription level. This is consistent with co-operative philosophy and principles. There may, however, be a capacity to increase subscription levels from the minimum with additional income spans e.g. the annual subscription of \$50 is payable on an annual turnover of \$0-20,000. The \$50 could apply up to \$100 and \$75 between \$5001 and \$10000 and \$100 between \$10001 and \$50,000.
4. Appropriate subscription levels also depend on the range, level and quality of services and particularly their usage by members. Members should not, for example, be required to pay for a service they do not use. Service provision by the Federation also needs to be considered on the basis of the extent that they are treated as separate cost centres.
5. In reviewing subscription levels it is also necessary to quantify the costs to the Federation of individual members based on their usage of the Federation and ascertain whether there are significant service distortions.
6. Subscription levels do need to be based on recovering minimum servicing costs to be identified but these need to be appropriately and realistically costed. It is inappropriate, for example, to employ a Manager for \$50,000 per annum and allocate the cost of this as \$500 each for 100 co-operative members.

The board's directors include the Federation's Chairman David Griffiths and Councillor Mr Andrew Gill. Mr. Gill was not at the meeting on 22 July 1998 and Mr. Griffiths abstained from voting.

David Griffiths abstained from voting on this resolution.

Resolved to endorse the 15 July 1998 letter from the Secretary to Dr John Lamblin, OFC, regarding Co-operative Management Guarantees.

Resolved to endorse the 13 July 1998 letter from the Secretary to Dr. John Lamblin, OFC, regarding 2001 electricity distribution price review framework and approach.

The Secretary provided directors with copies of the following booklets published by the Co-operative Federation of Victoria Ltd:

- Co-operatives and Public Policy
- Privatisation of Co-operatives
- School Co-operatives
- Shared Services Co-operatives For Community Agencies
- Social Care Co-operatives

- The Co-operative Model

Resolved to endorse the Secretary's decision to purchase 10 copies each of the Co-operative Federation of Victoria Ltd's co-operative booklets:

- Co-operatives and Public Policy
- Privatisation of Co-operatives
- School Co-operatives
- Shared Services Co-operatives For Community Agencies
- Social Care Co-operatives
- The Co-operative Model

The Secretary reported that the Distribution Code was being reviewed and that there was a meeting today to discuss the review.

He reported on discussions with Wendy Heath, of ORG, on 21 July 1998 and that copies of the next draft (No 3) would be forwarded to Co-operative Energy Ltd for comment. The last draft No 2 was completed late last year. He said that issues for consideration included the obligations of distribution companies, maintenance and asset management, reliability standards, power quality and customer rights to be informed.

John Dick reported that he was representing the Energy Action Group at the ORG meeting today and would be happy to raise Co-operative Energy Ltd issues.

The Secretary provided directors and Libby Stewart with a copy of the Clinton Administration proposal for the USA electricity industry.

The Secretary provided directors and Libby Stewart with copies of statements prepared for the ICA's International Co-operative Day on 4 July 1998.

The Secretary reported on a discussion with Graham Monday on 20 July 1998 following the Norco Feasibility Study. He reported that at this point of time Norco remained supportive but was taking no action. Two co-operatives and two credit unions, however, were exploring the possibility of forming an energy co-operative.

David Griffiths and Graeme Charles presented a report for consideration by the board: Co-opEnergy and 160MWh/year Customers

Resolved to congratulate Graeme Charles on his work with Aged Care Agencies in making the Co-opEnergy Purchasing Group a reality.

Resolved to endorse the following short-term action to consolidate our achievements to date:

- 1) A letter to the 18 agencies who joined the Purchasing Group and signed with Eastern Energy reminding them of our back-up support for the duration of the contract.

reminding them of the value-added benefits achieved and their importance and necessary follow-up and our role, informing them of the forthcoming Co-opEnergy newsletter and suggesting that they forward copies of their electricity bills as they are received. In addition, bill individual agencies who are not Uniting Church and bill Uniting Church for the Uniting Church agencies.

- 3) A letter to the four agencies who joined the Co-opEnergy Purchasing Group but did not sign with Eastern Energy, informing them that because of the \$200 fee which Eastern support was still available but on a more limited basis, informing them of the benefits of the value added services by those who signed with Eastern Energy
- 4) A letter to the six agencies who have joined the Co-opEnergy Purchasing Group who did not have contestable sites, reminding them of our back-up role and our interest in serving their interests, informing them about the Co-opEnergy newsletter
- 5) Preparing a comprehensive report for Aged Care Victoria and the Uniting Church
- 6) Planning the Co-opEnergy newsletter based on a quarterly A3 publication with a print run of 200 copies.

It was noted that after the closure of the board meeting there would be a brief meeting to discuss these and other further action to consolidate Co-opEnergy.

The Secretary provided directors and Libby Stewart with copies of the ORG report: Electricity Distribution Businesses Comparative Performance For The Calendar Year 1997 (July 1998).

The Secretary noted that he had downloaded the following USA reports:

Maine	Consumer Education	June 1998
Idaho	Unbundling	January 1998
Michigan	Consumer Protection	October 1997
Michigan	Market Power	June 1998

Next meeting:

10.00 am, 9 September 1998, Maritime Union of Australia, 43 Ireland Street, West Melbourne